TaxAct's **Holiday Gift Guide**

12 financially savvy ways to give this holiday season







Spread joy this season by gifting a monetary donation to your favorite charitable organization. Not only will the charity benefit from your generosity, but your tax return will too.

You can claim the charitable contribution deduction for up to \$300 on your 2021 tax return even if you don't itemize your deductions this year (up to \$600 for married filing jointly).







family? Consider gifting a 529 Plan - or contributing to one that's already established.

Contribute to a 529 Education

This is the gift that truly keeps on giving and is a great way to ensure peace of mind — not just for the beneficiary's parents, but as an investment in the child's future education and financial health. Plus, there may be a few tax benefits available to you on your state income tax return!



and gift yourself a little money in that virtual stocking to help grow your long-term wealth.

Support your alma mater – or any college or

Give the Gift of Quality Education

university – by donating to their endowment fund this holiday season. Your donation will not only help improve the quality of education, but it will also qualify you for a few tax benefits.

education institution are considered tax deductible on 2021 tax returns.

Monetary donations made to a non-profit higher



If you're a small business owner, treat yourself this holiday season by investing in your business for the coming year. Consider purchasing a piece of equipment you've had your eyes on or any other need you may

Invest in Your Business

have to help take your business to the next level. Many business-related expenses also qualify as tax deductions and can help reduce your tax liability.



If you happen to be a teacher, keep in mind that you can claim up to \$250 in classroom

Brighten Up Your Classroom

supply costs that come directly out of your pocket (\$500 for married filing jointly). The Educator Expense Deduction is available regardless of whether you claim the standard deduction or itemize. In case you haven't spent that money yet,

here's a reminder that there is a tax benefit

available for classroom purchases you make before the end of the year.



on monetary gifts only applies to gifts of money over \$15,000. That means you can gift up to \$15,000 (whoa!) to as many people as you want this year without having to

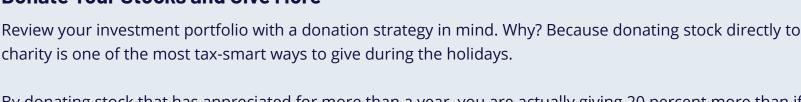
Write a Check and Don't Sweat the Gift Tax

charity is one of the most tax-smart ways to give during the holidays.

worry about paying any taxes on that money.

Take the stress out of holiday shopping this season by simply giving money to your loved ones. The gift tax

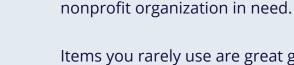
Donate Your Stocks and Give More



By donating stock that has appreciated for more than a year, you are actually giving 20 percent more than if you sold the stock and made a cash donation because you're avoiding capital gains taxes. Plus, you're still

eligible to deduct the full fair-market value of the asset you gifted from your income taxes, up to the overall amount allowed by the IRS.

Gift Your Closet Treasures

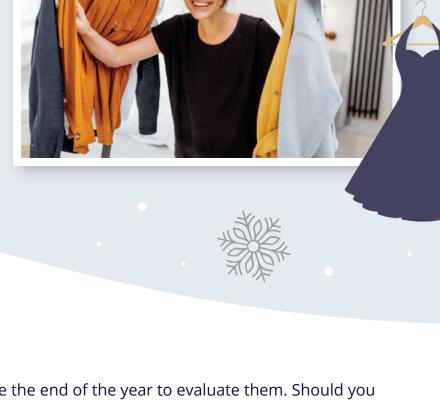


Items you rarely use are great gifts for others

that won't break the bank for you. Plus, your donation may qualify for a tax deduction on your return this year.

This is a classic holiday donation. Clean out your

closet and donate any gently used items to a



Treat Yourself by Selling Your Investments If you have any investments, carve out some time before the end of the year to evaluate them. Should you find that one or more of your investments went south this year, it may make sense for you to sell them to reduce your tax liability. This strategy is called tax-loss harvesting.

Deliver Hope with Toys for Tots

Adopt a child(ren) and purchase toys or other gift items to help those less fortunate experience the joy of the holidays in a big way this year. You can also opt to donate money directly online to the Toys for Tots organization or participate in any of their gifting programs.

All donations may qualify as charitable contribution tax deductions on your 2021 tax return.

Give Back for the Holidays

A variety of non-profit organizations are seeking additional help this year. Making a contribution allows your dollars to impact many people. Consider taking some time to find a charitable organization that helps a cause near and dear to your heart and extend your generosity to its recipients. No donation is too small, and it may qualify as a deduction on your tax return.